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No. 815 24

In the
Supreme Court of the United States
OCTOBER TERM, 1942

SECURITIES AND EXCHANGE COMMISSION,
Petitioner,

v.

C. M. JOINER LEASING CORPORATION AND C. M. JOINER,
Respondents.

ANSWER TO PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT.

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Respondents respectfully submit that the opinion of the Circuit Court of Appeals and District Court correctly decide the questions involved. There is no conflict between those opinions and that of the Court in the *Atherton case, 128 F. (2d) 463* where the defendant came within the very terms of the statute by obligating himself to sell the entire acreage including the drilling site and each purchaser of an assignment would receive a proportionate part of the purchase price. There was no such agreement here. Each purchaser obtained a definite commercial lease which he could sell or develop as he chose.

As far as size is concerned there are more producing wells in Texas today on 2½ acre tracts than on larger

tracts. At any rate, the sales made by respondents were of interests in land and not securities.

We respectfully suggest that the application ought to be denied.

Respectfully submitted,

DAVID A. FRANK,
Attorney for Respondents.

March, 1943